# ENERGY SYSTEM ACQUISITION ADVISORY BOARD (ESAAB) AND ENERGY SYSTEMS ACQUISITION ADVISORY BOARD - EQUIVALENT

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EM ESAAB EQUIVALENT SECRETARIAT



#### **PURPOSE**

The ESAAB <u>Advises</u> the Acquisition Executive (AE) in making:

<u>Critical Decisions</u> - a formal determination at a specific point in a project phase that allows the project to proceed to the next phase and commit resources; or

Approving/disapproving <u>Baseline Change Proposals</u> for scope, schedule and/or cost for the design effort after CD-1 and for the performance baseline after CD-2;

For Capital Asset Projects (CAPs) EM is in the Process of Developing the CAP List.



#### DEPARTMENTAL ESAAB

- Secretarial Acquisition Executive, SAE is the Deputy Secretary, S-2
  - Chairs ESAAB
- Decision Authority
  - Critical Decisions for Capital Asset Projects with a TPC of \$400M or more and selected "Other Projects"
  - All Level 0 Baseline Change Proposals
  - Site Selections
- In FY 00 SAE held 8 ESAAB Meetings



#### **ESAAB MEMBERSHIP**

- SAE, Deputy Secretary, S-2, Chairs ESAAB
- Both Under Secretaries
- DOE General Counsel
- Chief Financial Officer
- Assistant Secretary for Environment, Safety and Health
- Director of OECM
- Assistant Secretary for EM
- Deputy Administrator for DP
- Director of Office of Science
- Director of Procurement and Assistance Mgmt
- Deputy Administrator for National Nuclear Security Administration (NNSA)
- Any other organization designated by the SAE
- ESAAB Secretariat OECM



## ESAAB EQUIVALENT MEMBERSHIP REQUIREMENTS

- ESAAB Equivalent board <u>replicates</u> and conducts the <u>same functions</u> as those performed by the corporate ESAAB.
- Membership may be selected from within the PSO's office from other Headquarters functions having departmental responsibility
- At least one member is from a different PSO office
- OECM provides a member for all projects \$100M and greater
- Each PSO provides the composition of its ESAAB equivalent board to OECM - Completed Feb 00



#### **EM HQ ESAAB EQUIVALENT BOARD**

- Acquisition Executive (AE), PSO (EM-1)
  - Chairs ESAAB Equivalent
- Decision Authority
  - For Capital Asset Projects with a TPC between \$400M-\$100M that are not selected by S-2
  - Level 1 Baseline Change Proposals
- Delegates the AE function for CAPs with a TPC below \$100M to an SES Program Manager or an Operations/Field Office Manager
- The SES PM or Operations/Field Office Manager <u>may</u> further delegate the AE function for CAPs between \$20M-\$5M to a Direct Reporting SES Subordinate
- CAPs below \$5M delegated to Federal Project Manager by Operations/Field Office Manager



#### **EM ESAAB - EQUIVALENT BOARD MEMBERSHIP**

#### **Permanent Members**

- AE, Assistant Secretary, EM-1, Chairs meeting
- Principal Deputy Assistant Secretary
- Director of Site Operations
- Director, Office of Safety, Health and Security (ES&H issues)
- Director, Office of Project Management
- Director, Office of Management and Information (contract issues)
- DAS Policy, Planning and Budget (funding/budget issues)
- Assistant GC for Procurement and Finance
- OECM
- Director, Construction Mgmt Support Division, Office of Science
- Alternate: ADAS or Cognizant Senior Level Manager

#### **AD HOC Members**

- DAS Integration and Disposition (EM-20)
- DAS Site Closure (EM-30)
- DAS Project Completion (EM-40)
- DAS Science and Technology (EM-50)
- Other organization as requested by the AE
- ESAAB Equivalent Secretariat EM-6



#### **DELEGATED ACQUISITION EXECUTIVE (AE)**

- Tailoring DOE Order 413.3 allows a flexible approach to be applied based on size, risk, and complexity of the project
- EM has developed a <u>time phased implementation</u> <u>schedule</u> for CAP projects to meet the requirements of DOE Order 413.3
- Formally established ESAAB Board(s) and document the ESAAB Process (Charter and Procedure) by 3/31/01
  - The number of board members is <u>determined by the AE</u>, but the following functions must be represented; CFO, ES&H, Procurement, Legal, Project Management, and an ESAAB Secretariat
  - Notify EM ESAAB Secretariat (EM-6) of ESAAB composition and provide a copy of Charter and Procedure



# DELEGATED ACQUISITION EXECUTIVE (AE) (Continued)

- Invite EM-6 to ESAAB Meetings to identify and improve the ESAAB process throughout the complex
- Provide EM-6 copies of the ESAAB documents including briefing, signed decision memorandums, and meeting minutes
- Near Term EM will be flexible and less rigorous with the requirements for CD-0 and CD-1 than CD-2 with long-term goal of total compliance
- EM-6 will provide assistance, as requested, to help meeting the requirements of 413.3



#### **AE Authority**

#### **Critical Decisions - Based upon TPC**

\$400M and above SAE S-2

- \$400M - \$100M AE EM-1

- \$ below \$100M Delegated

#### **Baseline Change Proposals - Based on Levels**

Level 0 - SAE S-2

\* Level 1 - AE EM-1 or Delegated

Level 2 - Field

**Level 3 - Contractor** 

\*All Level 0 BCPs must be endorsed by EM-1



#### **SCHEDULING A HQ ESAAB**

- Start Early planning activities should begin at least 6 months prior to meeting (contractor, Field, HQ Site Lead/Team)
- Notify EM-6 to schedule an ESAAB 2-3 months prior to meeting
- Site AE must endorse all CD/BCP actions
- Briefings distributed by EM-6 at least 5 working days prior to meeting for review and comment
- S-2 Actions Requires a Readiness Review to be held 10 working days prior to S-2 ESAAB. EM will conduct its ESAAB Equivalent at same time
- Decisions are made at meeting



#### CRITICAL DECISIONS

#### **Traditional Construction Projects**

- CD-0 Mission Need
- CD-1 Preliminary Baseline
- CD-2 Performance Baseline
- CD-3 Start Construction
- CD-4 Start Operations or Closeout

#### **Environmental Restoration Projects**

- CD-0/1 Proposed Plan
- CD-2/3 Performance Baseline Start field work
- CD-4 Project Closeout

#### **Facility Disposition Projects**

- CD-0 Mission Need
- CD-1/2 Conceptual/Preliminary Design (Performance Baseline)
- CD-3 End of Final Design/Start D&D
- CD-4 Project Closeout



#### TRADITIONAL CONSTRUCTION PROJECTS

#### **Critical Decision-0 Mission Need**

- Justification of Mission Need Document
- Establish Integrated Project Team (IPT)
- Independent Project Review

#### **Critical Decision-1 Preliminary Baseline**

- Acquisition Plan
- Conceptual Design Report
- Risk Management Plan

#### **Critical Decision-2 Performance Baseline**

- Performance Baseline Established
- Independent Cost Estimate (ICE)
- External Independent Review
- Project Execution Plan
- NFPA



# TRADITIONAL CONSTRUCTION PROJECTS (Continued)

#### **Critical Decision-3 Start of Construction**

- Design Finalized
- Preliminary Safety Analysis Report Completed
- Independent Project Review
- Environmental Strategy

#### **Critical Decision-4 Start of Operations**

- Operation Readiness Review and Acceptance Report
- Project Completion Report
- Final Safety Analysis Report

NOTE: Project Definition Rating Index (PDRI) is an EM Requirement that must be completed for each CD.



#### **ENVIRONMENTAL RESTORATION PROJECTS**

#### **Critical Decision-0/1 Proposed Plan**

- Preliminary Assessment/Site Investigation Report
- Establish Project Team
- Project Execution Plan
- ROD
- RCRA Permits

#### Critical Decision-2/3 Performance Baseline

- Final Design
- Post ROD Documents
- External Independent Review
- Establish Performance Baseline



# **ENVIRONMENTAL RESTORATION PROJECTS** (Continued)

#### **Critical Decision-4 Project Closeout**

- Final Remediation Report
- Post Closure Inspection
- Update RCRA Permits
- Effectiveness Monitoring Report

Note: PDRI - Same as on Traditional



#### BASELINE CHANGE CONTROL

- Initiated after CD-1 for Design and after CD-2 for the Performance Baseline
- Approval Authority Levels
  - -Level 0, SAE
  - Level 1, PSO (AE)
  - Level 2, Federal Project Manager as delegated by
     Operations/Field Office Manager or Program Manager
  - -Level 3, Contractor
- <u>Delegation of approval authority is for Level 1 thresholds</u> for CAP projects below \$100M. The <u>Level 0</u> approval authority for all CAP projects <u>remains with the SAE (S-2)</u>
- Thresholds & Delegations Documented in PEP



## BASELINE CHANGE CONTROL APPROVAL THRESHOLDS FOR MAJOR SYSTEMS (CAPs \$400M or more)

SAE EM-1 Field/Contractor

Major System	Level 0	Level 1	Level 2/3
	affect mission need requirements.		As defined in the Project Execution Plan.
	increase (cumulative) in a project-level schedule		As defined in the Project Execution Plan.
		J	As defined in the Project Execution Plan.

<sup>\*\*</sup>TEC does not apply to environmental restoration projects.



### BASELINE CHANGE CONTROL APPROVAL THRESHOLDS FOR OTHER PROJECTS (CAPs below \$400M)

S-2 EM-1 or Delegated AE Field/Contractor

Other Projects*	Level 0	Level 1	Level 2/3
	New scope/performance not in conformance with current approved Project Data Sheet.		
	increase (cumulative in a	Three to six or more months increase (cumulative) in a project-level schedule milestone date.	As defined in the Project Execution Plan.
	Baseline change to \$5M, or 25 percent of Total Project Cost and/or Total Estimated Cost (whichever is less).**	Project Cost and/or increase	As defined in the Project Execution Plan.

<sup>\*</sup> General plant projects, accelerator improvement projects, capital equipment projects, and operating expense funded projects that are \$5M or less are the responsibility of the Federal Project Manager as delegated by the Operations/Field Office Manager.

NOTE: Only Level 1 approval authority for CAP Projects below \$100M can be delegated. Level 0 approval authority is the SAE, S-2



<sup>\*\*</sup> Total Estimated Cost does not apply to environmental restoration projects.

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